

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

Coop. Sugar Factories - Outstanding S.D.F loan dues payable by the Privatized Coop. Sugar Factories - Sanction of Rs.14,90,000/- as loan towards repayment of dues to SDF on behalf of privatized Coop. Sugar Factories - Orders - Issued.

INDUSTRIES & COMMERCE (SUGAR) DEPARTMENT

G.O.Rt.No     326

Dated:13-6-2011.

Read the following :

1. G.O.Rt.No.17, Ind & Com (Sugar) Department, Dt.23-3-2010.
2. From the Director (SDF), Min. of Consumer Affairs, Food & Public Distribution, Dept. of Food & Public Distribution, Lr.No.3-2(3)/2007-SDF A/Cs/299, Dt.27.9.2010.
3. From the Commr. of Sugar & C.C., Hyd., Lr.No.E2/12151/ 2006, Dt:28.10.2010.
4. G.O.Rt.No.2228, Finance (Exp. I&C) Department, Dt:01-6-2011.

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**ORDER:**

The Commissioner of Sugar & Cane Commissioner, AP, Hyderabad in his Letter 3<sup>rd</sup> read above has informed that the State Government has released an amount of Rs.,6,85,17,000/- vide GO 1<sup>st</sup> read above towards repayment of outstanding SDF Loan dues of six (6) CSFs as on 31-3-2009 including privatised Cooperative Sugar Factories as follows:

Sl No	Name of the Coop. Sugar Factory	Amount of SDF dues Rs.	Remarks
1.	Anakapalle V.V.Ramana CS Ltd.,	86,09,612	Functioning
2.	Amadalavalasa CS Ltd., 1,16,27,667 72,66,409	1,88,94,076	Privatized
3.	Nagarjuna C.S.Ltd.,	12,56,037	Privatized
4.	Sri ASM Coop. Sugars Ltd.,	77,07,223	Privatized
5.	Nandyal Coop. Sugars Ltd.,	1,59,07,611	Privatized
6.	Palair Coop. Sugars Ltd., 1,98,114 71,17,554 88,26,773	1,61,42,441	Privatized
	<b>TOTAL</b>	<b>6,85,17,000</b>	

Six Demand Drafts released by State Government were submitted to Govt. of India for adjustment of the amounts towards SDF dues and it was requested to treat these amounts as full and final settlement in respect of SDF dues of six defaulted CSFs.

2. The Government of India has informed that after adjustment of Rs.,6,85,17,000/- nothing is outstanding against the four CSFs details of which are given below:

1. M/s. Palakol Coop. Sugar Limited., Palakol
2. M/s. Nandyal Coop. Sugar Ltd., Nandyal
3. M/s. Ankapalle Coop. Agri & Ind Society Limited, Visakhapatnam
4. M/s. Nagarjuna Coop. Sugar Factory Limited, Guntur District.

3. In respect of the following three Cooperative Sugar Factories, the fresh

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outstanding SDF dues position against loan shown as on 30-4-2010 are hereunder:

Sl.No.	Name of Mill	Dues outstanding (in Rupees)
1	The Palair Coop. Sugars Limited	6,62,550
2	Amadalavalasa Coop. Sugar Limited	7,72,771
3	Vijayarama Gajapathi Coop. Sugar Ltd. (not included in the earlier proposal)	21,37,279 97,37,777
Total Rs.		1,33,10,377

4. As far as the request of the Commissioner of Sugar & Cane Commissioner, AP, Hyderabad for treating the deposit amount as full and final settlement is concerned, the GOI has stated that there are no provision in the SDF Rules to workout the terms of one time settlement of SDF dues after waive of any sum of interest and penal interest and there are no precedent regarding this. Hence, the Government of India has requested to deposit the above said amount alongwith additional interest on outstanding principal and interest amount @ Rs.6.5% with effect from 1-4-2010 upto the date of liquidation.

5. The Commissioner of Sugar & Cane Commissioner has also informed that the Government of India has further informed that in case steps are not taken for clearing the outstanding amounts by 31.10.2010, the Department would be constrained to move the Department of Expenditure for the recovery of these dues from the normal Central Assistance.

6. The Commissioner of Sugar & Cane Commissioner has stated that, the Managing Director, Sri Vijayarama Gajapathi Cooperative Sugars Ltd., has informed that an amount of Rs.21,69,279/- was repaid towards SDF dues under head Minor Irrigation on 15.08.2010 and an amount of Rs.95,40,000/- of buffer stock subsidy claims, which is due by Government of India for the years from 2001-02 and 2006-07 would be adjusted against the SDF dues. The balance amount, if any, would be re-paid by the Coop.Sugar Factory to the Government of India for clearing off the SDF loan dues. Hence, there is no requirement of Budget allotment to M/s. Sri Vijayarama Gajapathi Coop. Sugar Factory from the State Government to clear the SDF dues.

7. The Commissioner of Sugar & Cane Commissioner, AP, Hyderabad has therefore requested to make a provision in the budget for an amount of Rs.14,89,445/- to the following two Coop. Sugar Factories as on 30.11.2010 to liquidate SDF dues and release the same for repayment before 30.11.2010 in consultation with Public Enterprises Department to avoid further interest accrual on the outstanding amount of SDF loan dues and prevent the recovery of the SDF dues from the Normal Central Assistance:

(1)	The Palair Coop. Sugars Ltd.,	-	Rs. 687533/-
(2)	Amadalavalasa Coop. Sugars Ltd.,	-	Rs. 801912/-
<b>TOTAL :</b>			<b>Rs. 1489445/-</b>

8. The Public Enterprises Department and Finance Department have concurred to release the amount. Accordingly, the Finance Department in the reference 4<sup>th</sup> read above have issued Budget Release Order for an amount of Rs,14,90,000/- towards repayment of dues to SDF on behalf of Privatised Cooperative Sugar Factories.

9. Government after careful examination, hereby accord administrative sanction for an amount of Rs.14,90,000/- (Rupees Fourteen Lakhs and Ninety Thousands Only) towards repayment of dues under Sugar Development Fund to Government of India on behalf of privatised Coop. Sugar Factories as indicated below **in relaxation of Treasury**

**Control Orders by obtaining supplementary grants during the year 2011-2012:**

PLAN			(Rupees in thousands)							
Sl.No.	Name of the Scheme	Head of Account	B.E. 2010-2011	Reappropriated/ Additional	Total Provision (2009-10) (4+5)	Amount already Authorized	Amount Authorized now	Balance mount available[6-(7+8)]	Procedure of drawl of funds	Drawing Officer
1	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Loans for repayment of dues to SDF on behalf of defaulted sugar mills	6860 - Loans for Consumer Industries 04 - Sugar 101-Loans to Co-op.Sugar Mills GH-10 – C.S.S. SH(10)- Loans for repayment of dues to SDFon behalf of defaulted sugar mills (001) Loans to Co-op. Sugar Factories towards repayment of SDF to GOI on behalf privitised CSFs.	--	14,90	14,90	--	14,90	--	Loan Bill	Asst. Secy. to Govt. Finance (DM C Dept. as DDO.

10. The Commissioner of Sugar and Cane Commissioner shall take necessary action to draw and disburse the amount.

11. This orders issue with the concurrence of Finance (Exp.I&C) Department vide their U.O.No.12293/173/Exp.I&C/2011, Dt.3-6-2011 and as per Budget Release Order issued in the reference 4<sup>th</sup> read above.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

T.S. APPA RAO,  
PRINCIPAL SECRETARY TO GOVERNMENT &  
COMMISSIONER FOR INDUSTRIAL PROMOTION

To  
The Commissioner of Sugar and Cane Commissioner, A.P., Hyderabad.  
The Pay & Accounts Office, A.P., Hyderabad.  
The DTA, A.P., Hyderabad.  
The Accountant General, A.P., Hyderabad.  
Copy to:  
The Finance (Expr.I&C) Department.  
Sc/Sf.

//FORWARDED BY ORDER//

SECTION OFFICER.